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EXAMINER
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HAMILTON, LALITA M

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UNITED STATES PATENT AND TRADEMARK OFFICE

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BEFORE THE BOARD OF PATENT APPEALS  
AND INTERFERENCES

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*Ex parte* MICHAEL J. HAFER and MICHAEL J. MICHELSEN

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Appeal 2010-008501  
Application 10/687,575  
Technology Center 3600

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Before MURRIEL E. CRAWFORD, HUBERT C. LORIN, and  
ANTON W. FETTING, *Administrative Patent Judges*.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Michael J. Hafer, et al. (Appellants) seek our review under 35 U.S.C. § 134 of the final rejection of claims 1-20 and 22-51. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

## SUMMARY OF DECISION

We AFFIRM.<sup>1</sup>

## THE INVENTION

Claim 1, reproduced below, is illustrative of the subject matter on appeal.

1. In a relationship between a customer, a transaction provider and a service provider, the transaction provider providing money transfer services for the customer and the customer having an account associated with a convenience card, a system for enhancing customer loyalty in money transfer transactions, the system comprising:

a communication network, the communication network being configured to transport information relating to the money transfer services provided by the transaction provider;

a point of sale device in communication with the communication network, the point of sale device being located at a particular origination location and configured to:

(a) receive an identifier, the identifier including sufficient identifying information to allow the transaction provider to identify the customer's account;

(b) receive a request from the customer to process a money transfer transaction to a particular destination location; and

(c) transmit the identifier and the request to process a money transfer transaction; and

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<sup>1</sup> Our decision will make reference to the Appellants' Appeal Brief ("App. Br.," filed Oct. 12, 2009) and Reply Brief ("Reply Br.," filed Mar. 8, 2010), and the Examiner's Answer ("Answer," mailed Jan. 7, 2010).

a transaction provider control in communication with the communication network and further in communication with a service provider, the transaction provider control being configured to:

(a) receive the identifier and the request to process a money transfer transaction from the point of sale device;

(b) identify the customer's account based on the identifying information included in the identifier;

(c) return to the point of sale device stored transaction information identifying prior money transfer recipients of the customer for use by the point of sale device to automatically prepare a transaction form associated with the request to process the money transfer transaction; and

(d) credit the customer's account with an award associated with the request to process a money transfer transaction, the award being redeemable by the customer for credit toward the purchase of a product from the service provider.

### THE REJECTIONS

The Examiner relies upon the following as evidence of unpatentability:

Sosa	US 2002/0099607 A1	Jul. 25, 2002
Walker	US 6,690,779 B2	Feb. 10, 2004
Liebermann	US 7,287,009 B1	Oct. 23, 2007

The following rejections are before us for review:

1. Claims 23-29 are rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter.
2. Claims 30-47 are rejected under 35 U.S.C. § 101 as being directed to non-statutory subject matter.

3. Claims 1-20 and 22-51 are rejected under 35 U.S.C. § 103(a) as being unpatentable over Sosa, Walker, and Liebermann.

### ISSUES

Regarding the rejection of claims 23-29 under § 101, the issue is whether a prima facie case of patent ineligibility has been established for the claimed card.

Regarding the rejection of claims 30-47 under § 101, the issue is whether the Examiner was in error in finding the claimed processes failed to pass the machine-or-transformation test as a factor weighing against the patent eligibility of a process claim.

Regarding the rejection of claims 1-20 and 22-51 under 35 U.S.C. § 103, the issue is whether the Examiner was in error in concluding that it would have been obvious to one of ordinary skill in the art to combine Liebermann and Sosa and thereby reach the claimed invention comprising “return[ing] to the point-of-sale device stored transaction information identifying prior money transfer recipients of the customer for use by the point-of-sale device to automatically prepare a transaction form associated with the request to process the money transfer transaction ....” (claim 1).

### FINDINGS OF FACT

We rely on the Examiner’s factual findings stated in the Answer. Additional findings of fact may appear in the Analysis below.

## ANALYSIS

*The rejection of claims 23-29 under 35 U.S.C. § 101 as being directed to non-statutory subject matter.*

In rejecting these claims under § 101, the Examiner has taken the position that the claimed subject matter does not fall within the statutory categories of patent-eligible subject matter. But the Examiner's sole reasoning is that "the *instructions embedded* within the card are not carried out utilizing a computer" (Answer 3; emphasis added) and "[t]he physical nature of the card is not enough. The card *must be used in conjunction with a computer* to be considered statutory" (Answer 6; emphasis added).

First, we do not see any "instructions" mentioned in the claims, let alone instructions "embedded" in anything.

Second, even if the claims did recite a card having instructions embedded therein to be carried out via a computer, it would still not necessarily render the claims statutory under § 101. *Cf. CyberSource Corp. v. Retail Decisions Inc.*, 654 F.3d 1366, 1374-75 ("In the present case, CyberSource has not met its burden to demonstrate that claim 2 is 'truly drawn to a specific' computer readable medium, rather than to the underlying method of credit card fraud detection. ... [W]e have never suggested that simply reciting the use of a computer to execute an algorithm that can be performed entirely in the human mind falls within the *Alappat* rule. Thus, despite its Beauregard claim format, under *Abele*, we treat claim 2 as a process claim for patent-eligibility purposes.")

Because the reasoning in support of the rejection is inconsistent with both the wording of the claims and the law, a *prima facie* case that

the claimed subject matter is not patent eligible under § 101 has not been established in the first instance.

*The rejection of claims 30-47 under 35 U.S.C. § 101 as being directed to non-statutory subject matter.*

The law on patent-eligibility for process claims under 35 U.S.C. § 101 has undergone significant clarification since the mailing of the Answer (2009). Nevertheless, it remains the case that failing to satisfy the machine-or-transformation test is a factor weighing against the patent eligibility of a process claim. *See* Interim Guidance for Determining Subject Matter Eligibility for Process Claims in View of *Bilski v. Kappos*, 75 Fed. Reg. 43,922, 43,926 (July 27, 2010).

The Examiner states that the processes recited in the claims fail to pass the machine-or-transformation test. Answer 3-4.

Taking claim 30 as representative, a plain reading of the claim supports the Examiner's position. There is no mention of a specific apparatus and there is no transformation of an article into a different state of thing.

The Appellants disagree, arguing that the limitation "visually displaying the transaction form" (claim 30) meets the transformation prong of the test because it is an "electronic transformation." App. Br. 12.

The Appellants' argument is not commensurate in scope with what is claimed. Nowhere in claim 30 is there any indication, express or implicit, that "visually displaying the transaction form" is accomplished electronically. One could "visually display[ ] the transaction form"

by simply raising a piece a paper, for example. Accordingly, we are not persuaded by the Appellants' argument as to error in the rejection.

*The rejection of claims 1-20 and 22-51 under 35 U.S.C. § 103(a) as being unpatentable over Sosa, Walker, and Liebermann.*

The Appellants argued claims 1-20 and 22-51 as a group (App. Br. 13-14). We select claim 1 as the representative claim for this group, and the remaining claims 2-20 and 22-51 stand or fall with claim 1. 37 C.F.R. § 41.37(c)(1)(vii)(2007).

The issue surrounds the claim limitation “return to the point-of-sale device stored transaction information identifying prior money transfer recipients of the customer for use by the point-of-sale device to automatically prepare a transaction form associated with the request to process the money transfer transaction .... “ (claim 1).

The Examiner states that “Liebermann teaches ... identifying historical information pertaining to money transfer recipients (col. 11, line 55 to col. 12, line 20 and col. 15, line 59 to col. 17, line 35.)” (Answer 5). The Examiner concludes that it would have been obvious to one of ordinary skill in the art to combine this disclosure with Sosa's “system and corresponding method for providing incentive for money transfer services substantially as claimed (p.3, 36-37; p.8, 57-58; and p.19, 126 to p.20, 128) [and the] automatic population option that fills in saved information (para.62) and visually displaying transaction information (para.70)” (Answer 5) and thereby reach the claimed invention. Answer 5-6.



The Appellants disagree arguing that “[in Liebermann] [t]he recipient’s name is not retrieved from prior transaction information. Further, similar information is not included in the valid charge information 617 of Sosa.” App. Br. 14.

We are not persuaded by the Appellants’ argument. The scope of claim 1 is not limited such that the recipient’s name is retrieved from *prior* transaction information. According to claim 1, the transaction provider control is configured to “(c) return to the point of sale device stored transaction information identifying *prior money transfer recipients* of the customer for use by the point of sale device to automatically prepare a transaction form associated with the request to process the money transfer transaction.” Emphasis added. There is no requirement that the stored transaction information must be *prior* transaction information such that the recipient’s name is retrieved from *prior* transaction information as the Appellants have argued. It is sufficient according to the claim that the transaction information is stored and identifies prior money transfer recipients of the customer.

Whether or not Sosa includes information similar to that of Liebermann is not persuasive as to error in the prima facie case of obviousness. The test for obviousness is what the combined teachings of the references would have suggested to one of ordinary skill in the art. *See In re Young*, 927 F.2d 588, 591 (Fed. Cir. 1991). *See also In re Keller*, 642 F.2d 413, 425 (CCPA 1981)(“The test for obviousness is not whether the features of a secondary reference may be bodily incorporated into the structure of the primary reference; nor is it that the claimed invention must be expressly

suggested in any one or all of the references. Rather, the test is what the combined teachings of the references would have suggested to those of ordinary skill in the art.”)

For the foregoing reasons, the Appellants’ arguments are unpersuasive as to error in the prima facie case of obviousness. Accordingly, we will affirm the rejection.

#### CONCLUSIONS

The rejection of claims 23-29 under 35 U.S.C. § 101 as being directed to non-statutory subject matter is reversed.

The rejection of claims 30-47 under 35 U.S.C. § 101 as being directed to non-statutory subject matter is affirmed.

The rejection of claims 1-20 and 22-51 under 35 U.S.C. § 103(a) as being unpatentable over Sosa, Walker, and Liebermann is affirmed.

#### DECISION

The decision of the Examiner to reject claims 1-20 and 22-51 is affirmed.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv).

AFFIRMED

JRG